

FREQUENTLY ASKED QUESTIONS

Question: My group is a charitable organization, so why do we need a gambling license to conduct a raffle?

Answer: Only charitable organizations that are designated as “non profit” by the Internal Revenue Service (IRS) are eligible to receive a social and charitable gambling license, including a license to conduct a raffle. Applicants are required to provide a copy of the IRS letter indicating that the organization has a 501(c) exemption. Non-profit organizations include government agencies, schools, churches, and groups that promote educational, religious, charitable, civic, and patriotic activities.

Question: Why do I need a raffle license if the prize is worth less than \$100?

Answer: Under Iowa law, only licensed organizations can conduct raffles. The value of the prize does not dictate the need for a license.

Question: Is "*You pick em*" a legal bingo game?

Answer: “*You pick em*” is not an allowable game under the department’s rules, which specify that bingo cards cannot contain concealed numbers. Since no numbers are showing on the playing card, the numbers would be considered “concealed.” Additionally, bingo operators are to ensure that duplicate playing cards are not sold to players. If all players are picking their own numbers, the bingo operator cannot guarantee that duplicate numbers are not being used.

Question: Is the game "*Las Vegas*" a legal bingo game? When the caller calls a number, say B7, all numbers ending in 7 are marked.

Answer: As described above, the game “*Las Vegas*” would not be an allowable game. The department’s rules require that only the number announced by the caller can be marked on the card. If players mark all spaces showing a 7, the caller would be unable to verify the actual numbers announced. In addition, the department’s rules prohibit the use of free numbers. Since all spaces ending in “7” would be marked, those other than B7 would be considered “free numbers.”

Question: Are children under 18 allowed to play bingo and enter raffles?

Answer: The Code of Iowa does not address an age limit for charitable gambling. However, the qualified organization that holds the gambling license can put age restrictions on the games. If the occasion is for bingo, the posted house rules must define any age restrictions. For raffles, age restrictions must be listed in all promotional material and printed on the tickets. Organizations are not required to print their own raffle tickets, as they can use so-called “theater” tickets to conduct the drawing. However, if an organization prints its own raffle tickets, the age restriction should be included.

Question: Are sports betting pools at the office legal?

Answer: Office pools are legal if the people involved have a genuine social relationship and follow the guidelines for Sports Betting Pools, which are distributed by the Department of Inspections and Appeals (DIA) and free upon request. The maximum winnings for all participants are limited to \$500, and no individual may wager more than \$5. All moneys wagered must be awarded to the participants.

Question: Our group is a non-profit organization. How come we still have to pay sales tax on bingo games and raffles?

Answer: Bingo games and raffles are considered gambling activities. Under Iowa law, all gambling activities are subject to the state's sales tax.